

FARAD CONTINUATION SHEET No.
IN THE HIGH COURT OF JUDICATURE AT BOMBAY
APPELLATE SIDE
NAGPUR BENCH, NAGPUR

INCOME TAX APPLICATION NOS.20 OF 1993

Office Notes, Office Memoranda of
Coram, appearances, Court's orders of
directions and Registrar's orders

Court's or Judge's orders

Mr.Anand Parchure, Advocate for the Applicant.

None for the respondents.

CORAM : J.P. DEVADHAR &
B.P. DHARMADHIKARI, JJ.

DATED : 20TH MARCH, 2007.

P.C. :

1. None for the respondents, though served.
2. This application was admitted on 15th April, 1998 on six substantial questions set out in the reference application. The dispute in the present application relates to deletion of the penalty levied under Section 271(1)(c) of the Act. In the assessment order, it is stated that the cash credits totalling to Rs. 9,50,000/- received from 104 persons who were stated to be mainly agriculturists were not genuine. Therefore, the Assessing Officer levied penalty under

Section 271(1)(C) of the Act. The Commissioner of Income-tax (Appeals) set aside the penalty. On further appeal filed by the Revenue, the Tribunal upheld the order of the CIT (A).

3. When the agriculturists themselves denied to have given any credits, whether the Tribunal was justified in deleting the penalty is the question which needs consideration.

4. In this view of the matter, the application is allowed on the following substantial question of law :

“Whether on the facts and in the circumstances of the case, the ITAT was justified in upholding the order of the CIT (A) in cancelling the penalties levied by the Assessing Officer u/s. 271(1)(c) of the Act ?

5. The Tribunal is directed to forward statement of case as expeditiously as possible. The application is allowed with no order as to costs.

Judge

Judge.

/agk